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TCL ELECTRONICS HOLDINGS LIMITED

TCL 電子控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01070)

CONNECTED TRANSACTIONS

FORMATION OF NEW JOINT VENTURE INVOLVING DISPOSAL OF INTELLECTUAL PROPERTY RIGHTS

FORMATION OF NEW JOINT VENTURE

The Board is pleased to announce that on 20 December 2021 (after trading hours), the Strategic Co-operation Agreement has been entered into between the Company and TCL Holdings in respect of, among others, the formation of the JV Company and the subscription of interests therein. Pursuant to the Strategic Co-operation Agreement, the registered capital of the JV Company is RMB100.00 million (equivalent to approximately HK\$122.25 million), of which RMB19.99 million will be contributed by Electronics Nominee Company(ies) and RMB80.01 million will be contributed by Holdings Nominee Company(ies). Upon completion, the JV Company will be owned as to 19.99% by Electronics Nominee Company(ies) and 80.01% by Holdings Nominee Company(ies).

Pursuant to the Strategic Co-operation Agreement, Electronics Nominee Company(ies) and Holdings Nominee Company(ies) shall enter into the Shareholders' Agreement and the articles of association of the JV Company which will set out the terms to govern, among other things, the relationship between Electronics Nominee Company(ies) and Holdings Nominee Company(ies) as shareholders of the JV Company and the operation and management of the JV Company.

DISPOSAL OF INTELLECTUAL PROPERTY RIGHTS

Pursuant to the Strategic Co-operation Agreement, among others, the entire capital commitment from Electronics Nominee Company(ies) to the JV Company in the sum of RMB19.99 million shall be satisfied by way of injecting into and transferring to the JV Company intellectual property rights. As Electronics Nominee Company(ies) will hold only 19.99% equity interest of the JV Company upon formation of the JV Company, the JV Company will not become a subsidiary of the Electronics Nominee Company(ies), and hence the IP Rights Transfer will constitute a disposal of the Intellectual Property Rights by the Group.

LISTING RULES IMPLICATIONS

As at the date of this announcement, 1,260,358,288 Shares, representing approximately 50.82% of the total number of issued Shares, are held by T.C.L. Industries (H.K.), which in turn is held as to 100% by TCL Holdings. Accordingly, T.C.L. Industries (H.K.) is a substantial shareholder of the Company and a connected person of the Company under Chapter 14A of the Listing Rules. As TCL Holdings is the holding company of T.C.L. Industries (H.K.), it is an associate of T.C.L. Industries (H.K.) and therefore also a connected person of the Company under Chapter 14A of the Listing Rules. Moreover, the JV Company, being an 80.01% owned subsidiary of TCL Holdings after its formation, is also an associate of T.C.L. Industries (H.K.) and therefore also a connected person of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the Agreements and the IP Rights Transfer therefore constitute connected transactions of the Company.

As (i) one or more of the applicable percentage ratios in relation to the total capital commitment to the JV Company by Electronics Nominee Company(ies) under the Strategic Co-operation Agreement exceed 0.1% but all are less than 5%; and (ii) one or more of the applicable percentage ratios in relation to the IP Rights Transfer under the Agreements exceed 0.1% but all are less than 5%, the entering into of the Agreements and the IP Rights Transfer and the respective connected transactions contemplated thereunder are exempted from the circular (including independent financial advice) and Shareholders' approval under Rule 14A.76(2)(a) of the Listing Rules but are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

(1) FORMATION OF NEW JOINT VENTURE

The Board is pleased to announce that on 20 December 2021 (after trading hours), the Strategic Co-operation Agreement has been entered into between the Company and TCL Holdings in respect of, among others, the formation of the JV Company and the subscription of interests therein. Pursuant to the Strategic Co-operation Agreement, the registered capital of the JV Company is RMB100.00 million (equivalent to approximately HK\$122.25 million), of which RMB19.99 million will be contributed by Electronics Nominee Company(ies) and RMB80.01 million will be contributed by Holdings Nominee Company(ies). Upon completion, the JV Company will be owned as to 19.99% by Electronics Nominee Company(ies) and 80.01% by Holdings Nominee Company(ies).

Pursuant to the Strategic Co-operation Agreement, Electronics Nominee Company(ies) and Holdings Nominee Company(ies) shall enter into the Shareholders' Agreement and the articles of association of the JV Company which will set out the terms to govern, among other things, the relationship between Electronics Nominee Company(ies) and Holdings Nominee Company(ies) as shareholders of the JV Company and the operation and management of the JV Company.

Strategic Co-operation Agreement

The principal terms of the Strategic Co-operation Agreement are summarised below:

Date: 20 December 2021 (after trading hours)

Parties: (i) The Company; and
(ii) TCL Holdings.

Formation of the JV Company: The Company shall through one or more Electronics Nominee Company(ies) on the one part and TCL Holdings shall through one or more Holdings Nominee Company(ies) on the second part establish the JV Company in the PRC as shareholders. The Company shall procure the Electronics Nominee Company(ies) and TCL Holdings shall procure the Holdings Nominee Company(ies) to enter into the Shareholders' Agreement and the articles of association of the JV Company in the form as stipulated in the Strategic Co-operation Agreement within 30 days of the entering into of the Strategic Co-operation Agreement and carry out all necessary procedures for establishing the JV Company, including but not limited to business registration at the relevant authority.

Scope of business and purpose of setting up the JV Company: Upon due and proper establishment of the JV Company pursuant to the Strategic Co-operation Agreement, the JV Company shall be principally engaged in the business of research and development, production and sales of smart AR products, and provision of related content, software and other services in relation to the smart products.

Capital commitment:

The registered capital of the JV Company shall be RMB100.00 million (equivalent to approximately HK\$122.25 million), which shall be contributed by the parties in the following proportion:

Shareholder	Capital contribution	Shareholding percentage in the JV Company
Electronics Nominee Company(ies)	in aggregate RMB19.99 million (equivalent to approximately HK\$24.44 million)	19.99%
Holdings Nominee Company(ies)	in aggregate RMB80.01 million (equivalent to approximately HK\$97.81 million)	80.01%
Total	RMB100.00 million (equivalent to approximately HK\$122.25 million)	100.00%

All the capital contribution from the Holdings Nominee Company(ies) to the JV Company shall be paid in cash.

The entire capital contribution from Electronics Nominee Company(ies) shall be made by way of injecting intellectual property rights into the JV Company. For details, please refer to the section headed “(2) DISPOSAL OF INTELLECTUAL PROPERTY RIGHTS” in this announcement.

Use of the Group's trademark:

The Company (if it in its absolute discretion deems fit) may (and may procure members of the Group to) grant to the JV Company (and its subsidiaries from time to time, if any) such licences to use any intellectual property rights (including but not limited to trademark, trade name and brand, etc.) owned by the Group, subject to the terms and conditions (including but not limited to the particulars of the subject intellectual property rights, as well as the scope, duration, form and royalties of licence) set out in the licensing agreement to be entered into between the JV Company and the relevant member of the Group. The parties shall review annually and, where necessary, may adjust the aforesaid licensing arrangement based on the business development of the JV Company. For the avoidance of doubt, the Company shall comply with the applicable Listing Rules requirement, if any, upon the entering into of the aforesaid licensing agreement.

The size of the JV Company and the respective capital contribution by Electronics Nominee Company(ies) and by Holdings Nominee Company(ies) are determined after arm's length negotiations between them with reference to the anticipated capital requirements and business needs of the JV Company.

For the avoidance of doubt, as at the date of this announcement, the JV Company has not yet been established and thus has not yet commenced operation. Upon the establishment of the JV Company, Electronics Nominee Company(ies) will hold only 19.99% of the equity interest of the JV Company, the JV Company will not become a subsidiary of the Electronics Nominee Company(ies), and hence will not be consolidated in the Group's consolidated financial statements.

Shareholders' Agreement

The principal terms of the Shareholders' Agreement are summarised below:

Date: To be entered into within 30 days of entering into the Strategic Co-operation Agreement.

Parties: (i) Electronics Nominee Company(ies); and
(ii) Holdings Nominee Company(ies).

Payment schedule of capital commitment:

All the capital contributions from the Holdings Nominee Company(ies) to the JV Company shall be paid in cash in full within 2 years from the effective date of the Shareholders' Agreement, or within such period as otherwise determined by the shareholders of the JV Company at a shareholders' meeting.

The entire capital contribution from Electronics Nominee Company(ies) shall be made by way of injecting the Intellectual Property Rights into the JV Company. For the schedule of injection of Intellectual Property Rights, please refer to the section headed "(2) DISPOSAL OF INTELLECTUAL PROPERTY RIGHTS" in this announcement.

Shareholders' meeting(s):

Shareholders' meeting(s) shall be the highest authority of the JV Company and shall be convened at least annually.

At a shareholders' meeting, shareholders shall exercise their voting rights in proportion to their respective capital commitments. Any resolutions regarding increase and reduction of capital, amendment of articles of association, division, consolidation, dissolution or change of form of the JV Company shall require approval by shareholders representing more than two-thirds of the voting rights, whilst all other resolutions shall require approval by shareholders representing more than half of the voting rights.

Supervisor and composition of the board of directors:

Unless otherwise determined by the shareholders at a shareholders' meeting, the board of directors of the JV Company shall comprise three directors, one of whom shall be the chairperson of the board of the JV Company. The directors of the JV Company shall be nominated by Holdings Nominee Company(ies), and stand for election at a shareholders' meeting of the JV Company. The tenure of each director is 3 years and the directors are eligible to stand for re-election. The chairperson of the board will also be elected at a shareholders' meeting of the JV Company.

The JV Company shall have one supervisor, whom shall be appointed by the shareholders at a shareholders' meeting of the JV Company. The tenure of the supervisor is 3 years and the supervisor is eligible to stand for re-election.

Management:

The JV Company shall initially have one general manager and one officer responsible for financial matters. The general manager shall be responsible for daily operation and management of the JV Company and accountable to the board of directors of the JV Company. The JV Company may set up further management positions or institutions depending on the business operations of the JV Company.

Transfer of interests in the JV Company:

No shareholder is permitted to directly or indirectly transfer its interests in the JV Company or create any encumbrance thereon without the written consent of all other parties, except for transfer to its Affiliates or to other shareholders of the JV Company, in which case no consent is required.

Any transfer of interest in the JV Company by a shareholder to any parties (other than its Affiliates or a shareholder of the JV Company) shall be subject to the right of first refusal of other shareholders.

Dividend:

The shareholders of the JV Company may decide whether to declare and distribute dividend but no dividend shall be declared and distributed when the JV Company has any accumulated loss. Subject to the foregoing, if the shareholders decide to declare and distribute dividend, the dividend shall be paid in proportion to the amount of capital contributed and paid by the respective shareholders.

Duration and termination:

The Shareholders' Agreement shall be effective upon its entering into by the parties, and can be terminated by the unanimous written consent of all parties.

(2) DISPOSAL OF INTELLECTUAL PROPERTY RIGHTS

Pursuant to the Shareholders' Agreement, among others, the entire capital commitment from Electronics Nominee Company(ies) to the JV Company in the sum of RMB19.99 million (equivalent to approximately HK\$24.44 million) shall be satisfied by way of injecting into and transferring to the JV Company the Intellectual Property Rights. As Electronics Nominee Company(ies) will hold only 19.99% equity interest of the JV Company upon formation of the JV Company, the JV Company will not become a subsidiary of the Electronics Nominee Company(ies), and hence the IP Rights Transfer will constitute a disposal of the Intellectual Property Rights by the Group.

The Intellectual Property Rights, being the subject assets to be disposed of under the IP Rights Transfer, comprise 51 registered invention patents legally and beneficially owned by the Group in relation to AR technology.

Pursuant to the Shareholders' Agreement, the Group shall complete the transfer procedures in relation to the IP Rights Transfer as soon as possible upon the Shareholders' Agreement becoming effective, and in any event the completion of IP Rights Transfer shall take place no later than 2 years after the entering into of the Shareholders' Agreement, or within such period as may be otherwise determined by the shareholders of the JV Company at a shareholders' meeting.

Pursuant to the Shareholders' Agreement, during the period from the effective date of the Shareholders' Agreement and up to the date on which the Group has completed all transfer and registration procedures in relation to the IP Rights Transfer, the JV Company shall have the exclusive right to use the Intellectual Property Rights, and all income and risk that may accrue during such period shall solely belong to and be borne by the JV Company.

The consideration of the IP Rights Transfer (i.e. RMB19.99 million, being the aggregate amount of capital contribution by Electronics Nominee Company(ies) to the JV Company under the Strategic Co-operation Agreement) was determined after arm's length negotiations and on normal commercial terms, taking into consideration, among others, (i) the unaudited book value of the Intellectual Property Rights of approximately HK\$22.51 million as at 31 October 2021; and (ii) the valuation of the Intellectual Property Rights at approximately RMB20 million (equivalent to approximately HK\$24.45 million) as at 31 October 2021 by an independent valuer appointed by the Company based on present earning value approach.

Financial Information of the Intellectual Property Rights

The Intellectual Property Rights were independently developed by TCL Communication Group. On 31 August 2020, the acquisition of TCL Communication Group by the Group was completed and the Intellectual Property Rights were acquired by the Group as part of the assets of TCL Communication Group. For details, please refer to the circular of the Company dated 30 June 2020 and announcements of the Company dated 29 June 2020 and 31 August 2020. The Intellectual Property Rights do not have any identifiable income stream and there was no identifiable profit or loss arising from the Intellectual Property Rights during the year ended 31 December 2020. According to the audited consolidated financial statement of the Group for the year ended 31 December 2020 and the unaudited consolidated management account of the Group for the ten months ended 31 October 2021, the book values of the Intellectual Property Rights as at 31 December 2020 and 31 October 2021 were approximately HK\$23.75 million and HK\$22.51 million respectively.

Financial Effects of the IP Rights Transfer

As a result of the IP Rights Transfer, the Group is expected to recognise a gain of approximately HK\$1.93 million on completion of the IP Rights Transfer, which is calculated on the basis of the difference between the total consideration of the IP Rights Transfer (being the aggregate amount of capital contribution by Electronics Nominee Company(ies) to the JV Company under the Strategic Co-operation Agreement) of RMB19.99 million (equivalent to approximately HK\$24.44 million) and the carrying amount of the Intellectual Property Rights of approximately HK\$22.51 million as at 31 October 2021. The actual amount of gain or loss as a result of the IP Rights Transfer to be recorded by the Group will be subject to the review and final audit by the auditor of the Group.

As the IP Rights Transfer is conducted to satisfy capital commitment of Electronics Nominee Company(ies) towards the JV Company, no net proceeds will be received by Electronics Nominee Company(ies).

REASONS FOR AND BENEFITS OF THE AGREEMENTS AND THE IP RIGHTS TRANSFER

The Strategic Co-operation Agreement and the Shareholders' Agreement

The JV Company is expected to carry on the business of research and development, production and sales of smart AR products, and provision of related content, software and other services in relation to the smart products. The Group believes that the formation of the JV Company provides an excellent opportunity for the Group to expand its business portfolio into the AR business and further nurture the Group's innovative culture and organisational dynamics by investing in frontier technology and engaging in emerging business.

It is expected that the formation of the JV Company will allow the Group and TCL Holdings to leverage on and integrate their advantages of the Group in competitive global marketing competency and channel layout, strong partnership with over 80 top global retailers and mobile operators, accumulation of technology and patents in terms of AR as well as a large pool of artificial intelligence experts and the advantages of TCL Holdings in upstream connections, research and development and financial capacity, thereby creating synergy effects and create more value for the Group and Shareholders.

The IP Rights Transfer

The IP Rights Transfer allows the Group to satisfy its capital commitment to the JV Company without having to utilise its cash reserve, so that the Group can maintain cashflow for potential investment whenever suitable opportunities arise. On the other hand, the Group considers that a greater synergy effect can be achieved by injecting the Intellectual Property Rights into the JV Company since such Intellectual Property Rights have closer connection with the principal business of the JV Company and the JV Company will have the resources to exploit the Intellectual Property Rights to the greatest extent possible with the capital from TCL Holdings so as to generate return to its shareholders. The IP Rights Transfer is expected to facilitate the development of the JV Company and hence ultimately benefit the Group.

In light of the above reasons, the Board (including the independent non-executive Directors) is of the view that the terms of the Agreements, the transactions contemplated thereunder and the IP Rights Transfer, although not in the ordinary and usual course of business of the Group, are fair and reasonable, on normal commercial terms or better, and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, 1,260,358,288 Shares, representing approximately 50.82% of the total number of issued Shares, are held by T.C.L. Industries (H.K.), which in turn is held as to 100% by TCL Holdings. Accordingly, T.C.L. Industries (H.K.) is a substantial shareholder of the Company and a connected person of the Company under Chapter 14A of the Listing Rules. As TCL Holdings is the holding company of T.C.L. Industries (H.K.), it is an associate of T.C.L. Industries (H.K.) and therefore also a connected person of the Company under Chapter 14A of the Listing Rules. Moreover, the JV Company, being an 80.01% owned subsidiary of TCL Holdings after its formation, is also an associate of T.C.L. Industries (H.K.) and therefore also a connected person of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the Agreements and the IP Rights Transfer therefore constitute connected transactions of the Company.

As (i) one or more of the applicable percentage ratios in relation to the total capital commitment to the JV Company by Electronics Nominee Company(ies) under the Strategic Co-operation Agreement exceed 0.1% but all are less than 5%; and (ii) one or more of the applicable percentage ratios in relation to the IP Rights Transfer under the Agreements exceed 0.1% but all are less than 5%, the entering into of the Agreements and the IP Rights Transfer and the respective connected transactions contemplated thereunder are exempted from the circular (including independent financial advice) and Shareholders' approval under Rule 14A.76(2)(a) of the Listing Rules but are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

Notwithstanding the respective interests and/or roles of certain Directors in TCL Holdings, in particular, as at the date of this announcement, (i) Ms. DU Juan is also a director and the general manager of TCL Holdings; (ii) Mr. WANG Cheng is also a director of TCL Holdings; (iii) Mr. HU Dien Chien is also the chief financial officer of TCL Holdings; and (iv) Mr. SUN Li is also the chief technology officer of TCL Holdings, as their respective direct or indirect interests in TCL Holdings are insignificant, none of them is considered as having a material interest in the transactions contemplated under the Agreements and the IP Rights Transfer, therefore all Directors are entitled to vote on the Board resolutions for considering and approving the Agreements and the IP Rights Transfer pursuant to the Articles.

GENERAL INFORMATION OF THE PARTIES

The Group is principally engaged in the research and development, manufacture and sale of consumer electronic products such as smart screens and mobile communication devices and independently develops home Internet services. The Group helps users to live a smart and healthy life covering household, mobile and commercial scenarios and is devoted to becoming a world-leading smart technology company with smart display as the core strategy and "AI x IoT" as technological driver. For more information on the Group, please visit its official website at <http://electronics.tcl.com> (the information that appears in this website does not form part of this announcement).

The JV Company is a company to be established pursuant to the Strategic Co-operation Agreement. Upon establishment, the JV Company will be owned as to 19.99% by Electronics Nominee Company(ies) and 80.01% by Holdings Nominee Company(ies) and principally engaged in the business of research and development, production and sales of smart AR products, and provision of related content, software and other services in relation to smart products.

TCL Holdings is an investment holding company with a diverse investment portfolio. Its investments are principally in the business of development, manufacture and distribution of audio/video products, electronic products, communication equipment, home appliances, provision of cloud video conferencing services, intelligent manufacturing solutions, solid waste dismantling and disposal, development and leasing of building and industrial park, supply chain finance, etc.. As at the date of this announcement, TCL Holdings, through its wholly-owned subsidiary T.C.L. Industries (H.K.), held approximately 50.82% of the issued Shares and is the ultimate controlling shareholder of the Company. As at the date of this announcement, the shareholding structure of TCL Holdings is as follows:

Shareholders	Approximate Shareholding
Ningbo Lida Zhihui Enterprise Management Partnership (Limited Partnership)* (寧波礪達致輝企業管理合夥企業(有限合夥))	33.33%
Ningbo Lida Zhiheng Enterprise Management Partnership (Limited Partnership)* (寧波礪達致恒企業管理合夥企業(有限合夥))	23.26%
Pan Mao (Shanghai) Investment Center (L.P.)* (磐茂(上海)投資中心(有限合夥))	18.60%
Huizhou State-owned Asset Management Co., Ltd.* (惠州市國有資產管理有限公司)	9.30%
Xiaomi Technology Co., Ltd.* (小米科技有限責任公司)	9.30%
Beijing Xinrunheng Equity Investment Partnership (L.P.)* (北京信潤恒股權投資合夥企業(有限合夥))	4.65%
Shenzhen Qifu Guolong Small and Medium Micro-Enterprise Equity Investment Fund Partnership (L.P.)* (深圳市啓賦國隆中小微企業股權投資基金合夥企業(有限合夥))	1.55%
Total (Note)	100.00%

Note:

The figures shown in the above table were subject to rounding adjustment, accordingly the total figure may not be an arithmetic aggregation of the figures preceding it.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

“Affiliate(s)”	in respect of an entity/natural person, means (i) any other entity/natural person that directly or indirectly controls such entity/natural person, is controlled by such entity/natural person, or is under the control of another entity/natural person with such entity/natural person; (ii) any other entity/natural person with more than 50% equity interest in such entity/natural person; (iii) any other entity/natural person which directly or indirectly owns or holds more than 50% of the voting rights or other rights and interests of such entity/natural person; and (iv) the close relatives of such natural person, including spouses, parents, children, and siblings. “Control” refers to the right to directly or indirectly manage or influence the management and policies of such entity, whether through voting equity or through other means such as contracts. For the purpose of the Shareholders’ Agreement, the Affiliates of the Group shall not include TCL Holdings and its subsidiaries, whilst the Affiliates of TCL Holdings and its subsidiaries shall not include members of the Group;
“Agreements”	collectively the Strategic Co-operation Agreement and the Shareholders’ Agreement;
“AR”	augmented reality;
“Articles”	the articles of association of the Company as amended from time to time;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the Board of Directors of the Company;
“Company”	TCL Electronics Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 01070);
“connected person(s)”	has the meanings ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;

“Electronics Nominee Company(ies)”	one or more subsidiary(ies) of the Company to be nominated by the Company pursuant to the Strategic Co-operation Agreement to enter into the Shareholders’ Agreement with Holdings Nominee Company(ies) and subscribe for interests in the JV Company subject to and in accordance with the Agreements;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Holdings Nominee Company(ies)”	one or more subsidiary(ies) of TCL Holdings to be nominated by the TCL Holdings pursuant to the Strategic Co-operation Agreement to enter into the Shareholders’ Agreement with Electronics Nominee Company(ies) and subscribe for interests in the JV Company subject to and in accordance with the Agreements;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Intellectual Property Rights”	51 registered invention patents legally and beneficially owned by the Group in relation to AR technology;
“IP Rights Transfer”	the injection into and transfer of Intellectual Property Rights from the Group to the JV Company subject to and in accordance with the Strategic Co-operation Agreement and the Shareholders’ Agreement;
“JV Company”	a company to be established under the laws of the PRC pursuant to the Strategic Co-operation Agreement and the Shareholders’ Agreement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this announcement;
“RMB”	Renminbi, the lawful currency of the PRC;

“Shareholders’ Agreement”	the shareholders’ agreement to be entered into between Electronics Nominee Company(ies) and Holdings Nominee Company(ies) within 30 days of entering into the Strategic Co-operation Agreement;
“Shareholder(s)”	holder(s) of share(s) of the Company;
“Share(s)”	share(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Strategic Co-operation Agreement”	the strategic co-operation agreement dated 20 December 2021 entered into between the Company and TCL Holdings;
“subsidiary”	any entity within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “subsidiaries” shall be construed accordingly;
“TCL Communication Group”	TCL Communication Technology Holdings Limited, a company incorporated in the Cayman Islands and a wholly-owned subsidiary of the Company, together with its subsidiaries;
“TCL Holdings”	TCL Industries Holdings Co., Ltd.* (TCL實業控股股份有限公司), formerly known as TCL Industries Holdings (Guangdong) Inc.* (TCL實業控股(廣東)股份有限公司), a joint stock limited company established under the laws of the PRC;
“T.C.L. Industries (H.K.)”	T.C.L. Industries Holdings (H.K.) Limited, a company incorporated in Hong Kong with limited liability, an immediate controlling Shareholder, and a wholly-owned subsidiary of TCL Holdings; and
“%”	per cent.

On behalf of the Board
DU Juan
Chairperson

Hong Kong, 20 December 2021

The English translation of Chinese names or words in this announcement, where indicated by “”, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

For the purposes of this announcement, the exchange rate of RMB1.00 = HK\$1.2225 has been used for currency translation, where applicable. Such an exchange rate is for illustrative purposes and does not constitute representations that any amount in RMB or HK\$ has been, could have been or may be converted at such a rate.

As at the date of this announcement, the Board comprises Ms. DU Juan, Mr. YAN Xiaolin and Mr. HU Dien Chien as executive Directors, Mr. WANG Cheng, Mr. Albert Thomas DA ROSA, Junior, Mr. SUN Li and Mr. LI Yuhao as non-executive Directors and Mr. Robert Maarten WESTERHOF, Dr. TSENG Shieng-chang Carter, Professor WANG Yijiang and Mr. LAU Siu Ki as independent non-executive Directors.